



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Fiscal Analysis Memorandum

CONFIDENTIAL

Requestor:
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RE: PCS H864-CSBGf-52v5r1 - REVISED

SUMMARY TABLE

FISCAL IMPACT OF PCS H864-CSBGf-52, V.5 (\$ in millions)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
State Impact					
Highway Fund Revenue	-	-	-	-	-
<u>Less Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highway Fund Impact	No Estimate Available - Refer to Fiscal Analysis section				

NET STATE IMPACT

TECHNICAL CONSIDERATIONS: See Technical Considerations Section

FISCAL IMPACT SUMMARY

There is no estimate available for the fiscal impact of the Proposed Committee Substitute (PCS) for H.B. 864.

FISCAL ANALYSIS

This PCS requires the Division of Motor Vehicles (DMV) to establish in-person driver retraining courses for persons subject to a license suspension for non-DWI violations and all violations committed on military installations. After a driver's license is suspended, completion of the driver retraining course is required before regaining the driving privilege. The courses may be conducted in-house or through contract. DMV is authorized to charge a maximum fee of \$175, of which \$25 may be retained by DMV for the course, unless the driver receives public assistance. If the driver shows proof of receiving public assistance, there is no charge for the course.

License suspensions will be effective 90 days from a presuspension notice date. If a person completes the driver retraining course within a 90-day period defined by a presuspension notice, DMV shall cancel the suspension and all points, and the driver may retain their license. If a person



completes the course after the 90-day presuspension period, the suspension shall be terminated and the licensee may apply for restoration of the driving privilege.

There is no estimate available for the number of drivers who will take the driver retraining course within the 90-day presuspension period. Drivers who take the course within the 90-day presuspension period would not be subject to \$65 license restoration fee, which will decrease the revenues collected by DMV. The magnitude of this reduction is unknown.

There is no estimate for the cost to DMV associated with the driver retraining course.

DMV operates and maintains the State Automated Driver License System (SADLS), a computer system that maintains driver data. This system will require extensive technical modifications to cancel suspensions or hold suspensions indefinite as required by the PCS to H.B. 864, as well as creating new protocols to track those drivers required to take the driver retraining course. These protocols will track whether or not the course is completed, and cancel points and/or suspensions as appropriate. It is estimated that these modifications will result in one-time costs of \$536,000, with annual maintenance costs of \$53,600 beginning in FY 2020-21.

Additionally, the size of the project and use of a third-party vendor will require Project Management Office (PMO) Project Oversight. The PMO will draft Requests for Proposal (RFPs) based on DMV requirements, and provide an RFP to IT Procurement for publishing and public bidding. It is estimated that PMO Project Oversight will cost \$212,000.

TECHNICAL CONSIDERATIONS

Due to the resources allocated for other DMV IT projects, including the implementation of State and federal requirements, the technical modifications to SADLS required by this PCS cannot be implemented prior to March 1, 2021.

DATA SOURCES

Division of Motor Vehicles, Department of Transportation

FISCAL ANALYSIS MEMORANDUM – PURPOSE AND LIMITATIONS

This document is a fiscal analysis of a bill, draft bill, amendment, committee substitute, or conference committee report that is confidential under Chapter 120 of the General Statutes. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts. This document is not an official fiscal note. If a formal fiscal note is requested, please email your request to the Fiscal Research Division at FiscalNoteRequests@ncleg.net or call (919) 733-4910.

